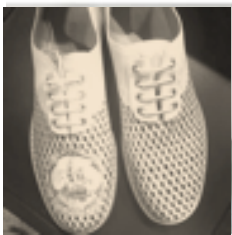


nuno gama

NOVA INDIVIDUAL WORK PROJECT | FRIDAY 23RD MAY 2014

CEMS BUSINESS
PROJECT:
NUNO GAMA
INTERNATIONAL
BRAND EXPANSION



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CULLEN
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WHAT IS THE OPTIMAL E-COMMERCE STRATEGY FOR A NICHE FASHION BRAND? RECOMMENDATIONS FOR NUNO GAMA IN PORTUGAL.

1. NUNO GAMA: CONTEXTUAL OVERVIEW

Nuno Gama has become an emblematic figure in the Portuguese fashion scene over the course of the past twenty years. Born and raised south of Lisbon in Azeitão, Nuno's younger life was spent on the beach or out fishing with the family; influences that would one day become visible in his designs. His career commenced designing painted bikinis, which soon extended to a range of clothing and the establishment of Nuno Gama Têxtil, Lda. By 1996, he had nine stores in Portugal, and was stocked in stores across Europe and even as far afield as the U.S.A and Japan. What's more, Nuno forged a name for himself as a social spokesperson; harnessing the power of his fashion shows to address issues such as environmental damage and social progress. Yet in 1998, disaster struck when a fire burned Nuno's atelier in Porto to the ground. Along with the loss of almost his entire collection, the stress of the situation also ended the partnership with his principal assistant. This, however, instigated a period of self-discovery, resulting in what Nuno labelled the 'reborn' collection.

THE CURRENT SITUATION. Since that setback, Nuno has rebuilt the brand, and now features in fashion events such as ModaLisboa (Portugal), Rock&Pop For Fashion (Prague) and Dragão Fashion (Brazil). The brand can be considered niche, in that it appeals to a smaller target audience for very specific reasons. In this way, Nuno's garments continue to be celebrated for their quality and sensual silhouette, as well as the unique Portuguese influences that augment his designs. Given the strength of the brand in Portugal, stabilized production capabilities and Nuno's eagerness to expand to other markets, it appears to be the optimal time to explore the option of expansion.¹ *See Appendix 1.0: Portugal Market Overview.*

1.1 OBJECTIVES OF THE BUSINESS PROJECT

- **STAGE ONE:** Determine what makes the Nuno Gama brand unique through a brand diagnostic. Also undertake an industry analysis, then develop a model that is capable of identifying potential markets for expansion that are a suitable fit for Nuno Gama.
- **STAGE TWO:** Present a detailed implementation plan for key selected markets, as well as a complementary digital strategy. *See Appendix 1.1: Methodologies.*

1.2 SUMMARY OF THE CONCLUSIONS

STAGE ONE. Besides developing a market selection model that would eventually impact the recommended strategies in Stage Two, an in-depth brand diagnostic was undertaken. Firstly, brand awareness surveys were carried out to determine the extent to which Nuno Gama was recognized or recalled by potential customers. The research found that the brand has a high awareness amongst the Portuguese fashion community; however internationally awareness is significantly lower, which all of the expansion strategies would have to take into account. In terms of brand image, or how Nuno Gama is perceived by members of the target audience, consumers appear to have a positive image of the brand overall. Subsequently the brand identity, which represents how Nuno Gama wants the brand to be perceived, was found to be that of a niche brand targeting men who take pride in their bodies². In this way, it will only target a small group of body-conscious men on a global scale. On a final positive note, there was minimal disparity between perceptions of brand image relative to brand identity, indicating that consumers correctly interpret Nuno's desired projection of the brand.

STAGE TWO. Brazil featured first on the model's ranking, and after subsequent discussion with Nuno, it was determined that São Paulo would be the focus of the expansion strategy, with the possibility of furthering the Americas expansion to Miami at a later stage to target the Brazilian community present there. This implementation strategy involved opening a monobrand store in a shopping mall in São Paulo, as well as successive expansion to Miami with a multibrand store. France featured second in the ranking, with Paris as the evident locational focus. The principal recommendation was to open a concept-store in the fashionable quartier of Le Marais.

Finally, a complementary digital plan was developed, given the possibility of undertaking either of the two expansion options. Although the expansion strategies were divided into two target consumer groups, one group of loyal customers and another with a broader consumer base, it is assumed that the first could be reached merely through Facebook. Therefore the digital strategy was proposed for the wider target audience. This plan presented strategies for both digital communications and e-commerce, also known as online retailing or e-tailing, with the latter forming the subject of in-depth analysis and elaboration in the coming section.

See Appendix 1.2: Retailing Strategies

2. PART ONE: AN OVERVIEW OF LUXURY E-COMMERCE

Note: Although Nuno Gama is considered a high fashion label; facts and figures concerning this market are scarce. Therefore, the luxury industry is considered the most suitable proxy.

2.0 INCREASING THE REACH OF ONLINE LUXURY. Over the past decade, luxury firms have embraced *digital communication* with open arms. In a 2012 Altagamma-McKinsey report, a survey of over 300 global luxury goods companies revealed that on average, firms saw their number of Twitter followers increase by 422 percent and their number of Facebook likes increase by 63 percent annuallyⁱ. They also enhanced the functionality of their sites by utilizing some of the most advanced interactive media available on the web. From live runway videos to chats with fashion advisors, luxury firms have excelled in delivering the ultimate online customer experience. And with good reason, as 72% of luxury consumers use up to four different information sources to compare products online before buying³.

However, the luxury segment is beginning to acknowledge a dynamic shift. After decades of denying their customers the opportunity to buy online, the advantages of doing so are becoming undeniable. Although in 2011, the sale of luxury goods online only represented €6,2billion (3.2%) of total sales globally, *luxury e-commerce* grew three times faster than total industry sales and is expected to reach €15billion (5,5%) by 2016⁴. Furthermore, the most promising ‘geographical’ markets for overall growth in this online sector are Asia and Latin America⁵. So why the continued resistance to luxury e-tailing?

2.1 THE LUXURY INDUSTRY’S OPPOSITION TO ONLINE E-TAILING. Luxury itself has always proved difficult to define, and can be regarded as “*a multi-dimensional concept that means different things to different people*”⁶. In this way, six established parameters are commonly used to attempt to define luxury goods, including *rarity, utility, price, craftsmanship, story,* and *perceived quality*⁷. Particularly the idea of *rarity*, which concerns both the product itself as well as the distribution, runs contrary to the notion of e-tailing, which is commonly focused on mass access and appeal⁸. Therefore, without a carefully constructed level of *exclusivity*, many industry experts believe that greater online accessibility diminishes the luxury status of their products. The renowned marketing guru Jean-Noel Kapferer, even went as far as to say that any product sold online would cease to retain its luxury status⁹.

ⁱ Note: Personal luxury goods comprise: apparel, accessories, jewelry and watches

2.3 THE TURNAROUND: WHY LUXURY FIRMS ARE BEING FORCED TO MAKE THE CHANGE. While the six traditional parameters for luxury goods continue to hold for brick-and-mortar stores, the demands of emerging segments of online luxury consumers appear to have been overlooked. For simplification purposes, I divided these online consumers into two groups, *lax-luxury* and *lust-luxury* consumers. The former refers to the segment of consumers that prefer to do their luxury shopping from the relaxed environs of their home, without the time pressure of making it to the shops during opening hours, or the added pressure of overly assertive sales assistants. Luxury has neglected the idea that many consumers work long hours, live geographically far from luxury shopping centers and do not enjoy the ‘excellent service’ offered by luxury retailers. This is exemplified by the words of Natalie Massenet, founder of the immensely successful luxury e-tailing website Net-a-Porter, *"It's a false assumption that people with a lot of money have a lot of free time to shop."*¹⁰ Firms such as Net-a-Porter have further strengthened this trend by offering unrivaled convenience, for example, same-day deliveries in London and Manhattan¹¹.

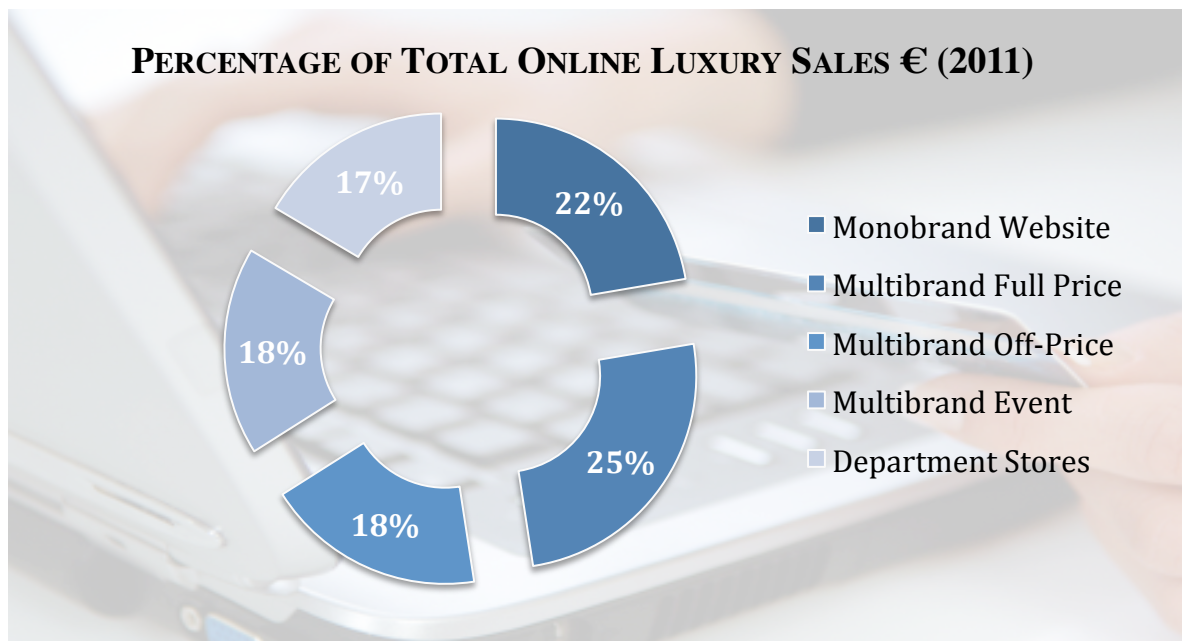
The latter group of *lust-luxury* consumers represents a segment of trendsetters who lust after the very latest products, and want to secure them as quickly as possible. Again, websites developed to cater to this segment are experiencing considerable success. Take Moda Operandi, which allows consumers to view the fashion shows of luxury designers, and pay a 50% deposit on items they select straight off the runway¹². These consumers find comfort in knowing that when that item is available, they will be the first to receive it in the exact size and color that they desired.

2.4 INNOVATIVE E-TAILING STRATEGIES FOR LUXURY FIRMS. As the previous section emphasized, the most successful luxury e-tailers are typically small innovative start-ups, such as Net-a-Porter, Yoox or Gilt Groupe¹³. Therefore, a classification of current luxury e-tailing models is vital to understanding the opportunities within this market.

- **MONOBRAND WEBSITE:** The selling success of the monobrand website is due to the obvious focus on a singular brand, for instance 75% of luxury firms highlight their own ad campaigns and 45% highlight their own fashion shows on monobrand websitesⁱⁱ. It is the e-tailing channel with the highest growth; firms are favouring this option as they can maintain full control over the way their brand is portrayed and reap all the profits¹⁴.

ⁱⁱ Note: Based on an E-tailing Group evaluation of 20 luxury sites and 289 e-commerce metrics

- **MULTIBRAND FULL PRICE:** Countering the argument that luxury e-tailing would ‘cheapen’ brands, full-price multibrand e-tailers attain the highest percentage of online luxury sales. The most famous of which is Net-a-Porter, which is reported to have sales totaling over €550million last year¹⁵.
- **MULTIBRAND OFF-PRICE:** Discounted luxury multibrand sites have continued as the second fastest growing channel, which is no doubt an indication of the economic environment¹⁶ Yet online aggregators, such as Gilt, continue to demonstrate that offering high-end brands at substantial discounts is a profitable business model¹⁷.
- **MULTIBRAND EVENT:** By offering events such as flash sales (Vente Privee), luxury firms have found a way to dispose of surplus product without excessive discounting. Also, ‘trunkshow’ pre-ordering (Moda Operandi), transformed selling cycles to reach consumers months before products become available¹⁸.
- **DEPARTMENT STORES:** Although they represent the smallest share of online luxury sales, department store websites are incredibly successful in the USA and are growing steadily in numerous other markets worldwide¹⁹.



Source: McKinsey & Company (2012), See Appendix 2.0 for comparative figures

2.5 EXPLORING NEW PLATFORMS: THE RISE OF MOBILE E-COMMERCE (M-COMMERCE)

“Mobile was 5% of our sales in 2011, and 25% in 2012. When you look at the demographics, our customers are definitely in the higher income bracket. They all own tablets, which lend themselves to the fashion experience.”²⁰

~ José Neves, CEO of Farfetch.com.

M-Commerce offers e-commerce capabilities directly through handheld devices²¹. For luxury e-tailers, it is evolving into an advantageous *omnichannel strategy* used to synchronize all of the company's channels and present one consistent way of doing business²². As the quote above highlights, luxury consumers are among the most well connected demographic groups, with twice the rate of smartphone ownership as the general population²³. This improved interaction and constant *accessibility* have resulted in a handful of luxury brands delving into m-commerce activities, such as Louis Vuitton and Givenchy, who recently launched an "e-store" that is only accessible through mobile²⁴. In the future, m-commerce has the potential to become even more integrated with the in-store shopping experience than e-commerce currently is.

PART TWO: NUNO GAMA E-COMMERCE STRATEGY RECOMMENDATIONS

2.6 NUNO GAMA: CURRENT ONLINE STRATEGY. Nuno Gama does not currently have any e-tailing initiatives. Although the brand launched an online monobrand store in 2008, this was closed shortly afterwards. Nuno Gama's Facebook can be considered his principal communication channel, with almost 20,000 Page Likes and regular updates (at least once per week)²⁵. Nuno stated that he considers it a social platform and secondly, as a means of planning. In this way, he believes that the number of 'Likes' a photo has is an accurate indication of which pieces will be popular during the season²⁶. Nuno Gama recently launched an application (app) operating on iOS (exclusively for Apple iPhones & iPads) by the developer Yoma, which features a short history on the designer, snapshots from his fashion shows and links to his other social media channels²⁷.

See Appendix 2.1: Application Examples

2.7 THE ONLINE-TO-OFFLINE BUSINESS MODEL (O2O). It has long been known that online decision making has a positive 'indirect effect' on in-store sales, the value of which is estimated to be €17.5 billion or 10% of total luxury sales²⁸. However, recently an innovative e-commerce model, known as **Online-to-Offline (O2O)** is gaining popularity. Although definitions vary, O2O websites work as a "discovery" mechanism for consumers, one that attracts them to real-world stores. It functions as a foot traffic generator, helping to boost offline purchases. Yet online payment is what makes O2O distinct; as consumers are initially expected to pay at least a portion of the total amount online. Finally, it provides 'big data' about client preferences and spending, as every transaction is measurable²⁹.

2.8 RECOMMENDATION: JOIN FARFETCH.COM, A MULTIBRAND WEBSITE

FarFetch is unique among other luxury e-tailers, as the site not only stocks niche labels from all over the world, but also promotes the actual boutiques stores. The website ideally targets *lax-luxury* consumers, who enjoy shopping the world's boutiques from the comfort of their own home. This fits within the O2O business model, as FarFetch works as a discovery tool for customers and is expected to increase local and tourist foot traffic to Nuno Gama's concept store in Lisbon, as well as subsequent stores in the recommended expansion locations of São Paulo, Miami & Paris. As the website is available worldwide, it offers considerable customer reach and, through placement alongside other respected brands, has the potential to generate positive brand awareness for Nuno Gama. FarFetch is a full-price multibrand website, meaning that Nuno Gama garments would not be discounted, so the brand does not run the risk of being degraded in the eyes of consumers. Also, the website boasts payment and distribution systems that are not economically feasible for Nuno Gama to attain through a monobrand website alone. For instance, it allows customers to pay in local currencies, and even with payment plans such as those favoured by Brazilian consumers. Distribution is also handled by FarFetch, which offers consumers delivery to their doorstep anywhere in the world. While boutiques have to pay 'rent', this covers website development and running costs, payment and distribution costs and also marketing.

Although this may be the optimal e-commerce strategy for a niche brand such as Nuno Gama, it still has limitations. Nuno Gama would not have opportunity to highlight features such as runway shows, and the brand's history, as he would on a monobrand site. Furthermore, exactly how much of a cut FarFetch takes from sales is unknown, although this could significantly reduce profits. Lastly, as FarFetch owns the website, Nuno Gama is not able to utilize data analytics tools to capture user information, which is extremely useful for understanding customers, and will be addressed in the following recommendation.

2.9 RECOMMENDATION: M-COMMERCE STRATEGY – FEATURE ON MODA OPERANDI APP

The Moda Operandi app revolutionized the use of m-commerce in the fashion industry. Now *lust-luxury* consumers can view a fashion show, or a 'trunkshow', and swipe left or right on the app to indicate their interest in an outfit. They are later alerted when the item comes into stock, and offered the opportunity to secure the item with a 50% deposit. For Nuno Gama, who is revered for his fashion shows in Lisbon, Prague and Brazil, introducing the Moda

Operandi app through his fashion shows offers a unique possibility. Firstly, it follows the O2O model, as it requires users to pay an initial 50% deposit online. This provides Nuno with half of the revenue before the clothes are even produced, greatly easing any financial uncertainties related to demand. It also functions as ‘discovery mechanism’ and a foot traffic generator; if foreigners have bought a Nuno Gama piece through the app, they are more likely to want to visit the store next time they are in the city. The iOS app (running on an Apple operating system) is already available worldwide, so it can be accessed in any of the potential expansion locations from an iPhone or iPad. While previously Nuno utilized Facebook as a production-planning tool, the app would provide a far more accurate means of determining which pieces will be popular and adjusting production accordingly.

In the short run, Moda Operandi provides Nuno Gama with the optimal m-commerce platform. However in the long term Nuno could address the limitations of this strategy by altering his own iOS app to include the Moda Operandi functionality, and using Paypal’s Mobile Software Development Kit (SDK) to develop inbuilt payment services³⁰. This would allow for a greater degree of personalized content within the app. For instance, once customers have paid a deposit on an item they may want to arrange a fitting, thus ‘Bespoke Designer Appointments’ with Nuno could be a potential feature. This would harnesses elements of other successful e-tailers, such as Bonobos, which allows consumers to schedule a fitting appointment in ‘Guideshops’ before purchasing the product online³¹. Finally, as Nuno Gama would own the app, data analytics tools such as IBM’s Power Systems for mobile could be utilized once there is a sufficient consumer base³². This would capture a snapshot of customers’ profile and preferences, allowing for superior targeting in the future. Overall, studies suggest that the most successful online luxury companies are those that invest in personalization³³, therefore these tools could be incredibly valuable for Nuno.

Finally, although the costs of ‘renting’ online are unknown, they are assumed to be considerably more affordable than opening real stores in the selected expansion locations. By increasing foot traffic to the store, both recommendations highlight the unique concept store design and Moda Operandi even manages to harness Nuno’s highly acclaimed fashion shows as a selling tool. Therefore, the final recommendations take into account the organizational and financial constraints of Nuno Gama, while providing a unique opportunity to boost sales and increase brand awareness on a global scale, at minimal cost.

3. PERSONAL REFLECTION ON LEARNING

3.1 PREVIOUS MASTER'S KNOWLEDGE APPLIED

Working with the fashion industry, which is full of implicit designer and insider knowledge, meant that our business project revolved around a lot of intangibles. However, the skills I learnt in Brand Management helped me considerably in handling this. First, we utilized Kapferer's identity prism, which I had employed before in analyzing the Porsche Cayenne, to grasp a deeper understanding of Nuno Gama's brand identity. Brand Awareness research soon followed, although the whole process was significantly easier due to the surveying experience I attained whilst working on the Café Zero Brand Management project. Finally, we undertook in-depth brand image interviews, a new endeavor for me, but supported by the skills accrued during the Brand Management market research lectures. Also incredibly useful, were the market analysis tools that I picked during the L'Oreal Brandstorm Competition, considered a special course at Nova. This involved reutilizing some of the key parameters we had developed to help determine market and country attractiveness. What's more, I realized quickly that local blogs and websites were just as useful in gauging consumer behaviour, as facts and figures from sources such as Euromonitor. In this way, when handling the more subjective measures of our model, such as the brand's fit with local consumers, I utilized the full range of sources to create a more comprehensive consumer profile. I strongly believe that applying these previously assimilated skills led to the development of a superior strategic plan for Nuno Gama.

3.2 NEW KNOWLEDGE ACQUIRED DURING THE BUSINESS PROJECT

Alongside having to deal with limited information, the project also covered numerous aspects of online strategy, for which there are very few tools or structures to follow. I enjoyed the dynamism of working with such a fast-paced domain, whilst determining how to best define and fit the constantly evolving e-commerce models into our strategic plan. For instance, I started by discovering the Online-to-Offline Model (O2O), which is commonly employed by online companies such as Groupon to drive offline local sales. However, it made perfect sense considering our objectives, which didn't only focus on e-commerce and boosting brand awareness, but also on encouraging consumers to actually visit the Nuno Gama store. Similarly, the O2O notion of prepayment correlated perfectly with the idea that Nuno needs a certain level of financial assistance if he is to realistically increase output. In certain cases, some O2O models included the use of data analytics to exploit the 'big data'

collected. Therefore I incorporated this into the model's dynamic definition, as it made sense that Nuno would want to capture customer preferences to recognize and preempt trends in the fashion industry. I have never studied Retailing Strategies in any depth, and this was one area where I learnt a considerable amount about the options available for brands set for expansion. Beyond simply the range of possibilities, such as monobrand versus multibrand, we had to consider the preferable channels in each country, the use of agents, realistic financial constraints, minimal brand awareness of Nuno Gama in foreign markets and the channel's fit with the brand. This also applied for the e-commerce strategy, for which we had to take similar retailing issues into account. In this age of globalization, I consider international retailing strategies a worthwhile field to have some understanding of.

3.3 PERSONAL EXPERIENCE

I believe that patience was one of the key strengths I brought to this project. That is, the patience to wait until all the analysis has been carried out before jumping to any conclusions. It is easy to naturally begin to focus on a favoured strategy or expansion location; even before the research has verified that this is a viable option. This leads to bias in the results, and after experiencing this in my Café Zero project, I was careful to ensure our team didn't make the same mistake. However, on the downside I think that too often I dominate group discussions and overexert my opinions. This may be due to the fact that I'm a native English speaker, so I find it easier than others to express my opinion. I attempted to improve on this by making sure I listened to everyone's opinion, even prompting those group members who weren't readily offering one. Finally, before making a decision I would offer two alternatives, and allow the group to choose between them, rather than state what I had in mind and press people for agreement.

3.4 THE PROJECT IN HINDSIGHT

I have always wanted to work in an advertising agency, and this project taught me an invaluable lesson about the difference between creative and business-minded individuals. Although the project was supposed to take on an intellectual stance, in future I would have presented the results to Nuno from a far more practical perspective. From him, concepts such as brand identity are intuitive, and there was no need to complicate matters by attempting to describe such notions. I now believe that I can better work with creatives in an agency context, as I understand that they require different advice and seek different results.

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5. APPENDICES

APPENDIX 1.0 - PORTUGUESE MARKET OVERVIEW & OUTLOOK

1) Although our Business Project focused on the internationalization possibilities for the brand, therefore primarily on foreign markets, the Portuguese market was still considered as it offers valuable insight into factors affecting the brand today.

2) Whilst the brand Nuno Gama can be considered a high-fashion label, data concerning this segment of the market is scarce. Therefore, data from both Portuguese apparel and luxury segments were utilized, as they are deemed the most appropriate proxies.

The apparel industry in Portugal is recovering from a period of slow growth. This can be attributed to the austerity measures instigated to counter the financial crisis, which has curbed consumer spending. However, from the beginning of this year, economy recovery is expected to see the apparel industry experiencing sustained increases in both constant volume and value terms.³⁴

Tourists are driving demand for luxury goods. By 2017, Brazilian tourists are expected to achieve the greatest increase in the number of trips. Alongside this, France will continue to lead inbound tourism receipts, whilst Russia is expected to represent the greatest increase in average spending. Arrivals from PALOP (African countries with Portuguese as their main language) are also forecasted to increase significantly, especially those from Angola and Mozambique.³⁵

Online apparel retailing is gaining momentum. Although bricks-and-mortar stores still constitute the majority of distribution, by 2017 online sales are expected to reach 3% of aggregate apparel sales, for a total of €116 million.³⁶

APPENDIX 1.1 - OBJECTIVES: METHODOLOGY

In accordance with the academic advisor, the business project was based on qualitative research due to the scarcity of financial figures pertaining to this topic. Therefore, although the recommendations will not include financial figures, all objectives were fulfilled whilst taking into account the realistic organizational and financial constraints of Nuno Gama.

Stage One:

1. Industry Analysis: Develop an understanding of the high-end fashion market to define what factors influence and impact the success of Nuno Gama.

→ Conduct primary research (awareness surveying and in-depth expert interviews) and secondary research (analyzing the international luxury markets).

2. Brand Diagnostic: Analyze and understand all aspects of a brand to differentiate what makes the Nuno Gama brand unique.

→ Perform primary research to understand the brand's identity, image and awareness.

3. Market Selection: Identify favourable markets for future expansion.

→ Use previous insights to create a model with several criteria, which identifies favourable markets for expansion.

Stage Two:

1. Implementation Plan: Determine the optimal implementation plan for the selected markets, as well as to identify the most appropriate retailing and communication strategies.

→ Conduct primary and secondary research to develop practical implementation strategies.

APPENDIX 1.2 – EXPLANATION & OVERVIEW OF RETAILING STRATEGIES

STORE TYPE		ADVANTAGES	DISADVANTAGES
Mono-Brand Stores Owning label brands which are created and owned by businesses that operate in the distribution channel	Freestanding Stores Shopping center retail store	<ul style="list-style-type: none"> - Brand image building -Full product range displayed -Owner negotiates rent independently -Brand image building -Full product range displayed 	<ul style="list-style-type: none"> -Capital employed -Store profitability in flagship stores - Capital employed - Store profitability in flagship stores - Flow dependent on variety
Multi Brand Stores Marketing of two or more similar and competing products by the same firm under different and unrelated brands.	Multi brand stores	<ul style="list-style-type: none"> - Brand image building -Possibility of reaching more customers from different segments 	<ul style="list-style-type: none"> - Cannibalization between similar brands - Dilution of the difference between different brands - The image of the company may become that of profit seeking and not customer oriented
Department stores Large retail establishment with an extensive assortment in variety and range of goods, organized into separate departments	Shop-in-shop in a department store	<ul style="list-style-type: none"> -Brand image and awareness building -Full product range displayed -Economic system based solely on variable costs – No fixed rent, only cost incurred by staff -Do not have to attract own customers but can benefit from customers already drawn to store 	
	Counter in a department store Corner in a department store	<ul style="list-style-type: none"> -Brand awareness building -Turnover growth -Brand awareness building -Turnover growth 	<ul style="list-style-type: none"> - Category display -No image control – merchandise assortment, price and space -Limited identity

Source: Chevalier, M. & Gutsatz, M. (2012)

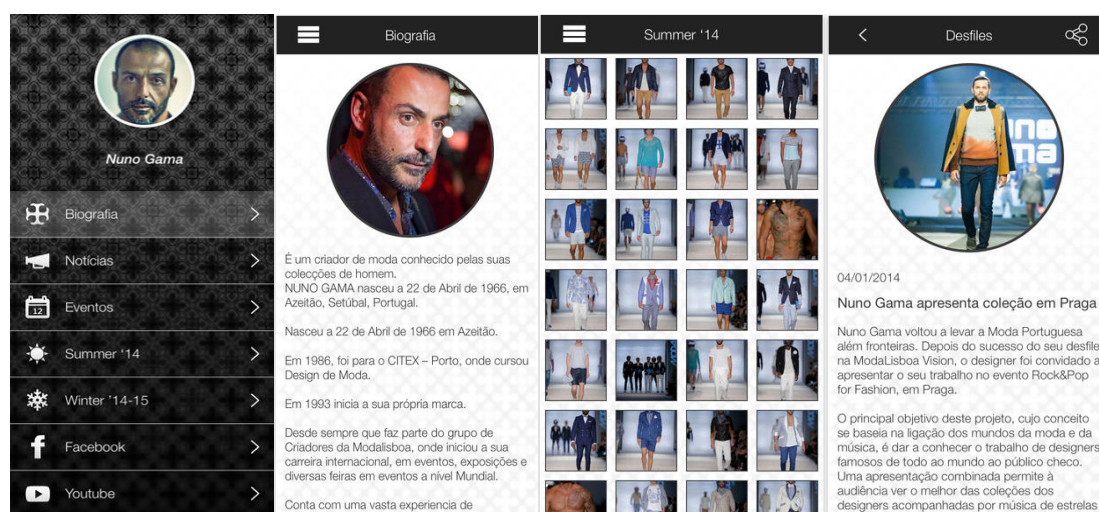
APPENDIX 2.0 – LUXURY E-TAILING MODELS

	Type of Website	Percentage of Total Online Luxury Sales € (2011)	Percentage Growth (2011 vs. 2010)	Success Stories
Monobrand (Selling one brand only)	Monobrand Website	23%	37%	Burberry, Louis Vuitton
Multibrand (Selling numerous brands)	Multibrand Full Price	26%	28%	Net-A-Porter
	Multibrand Off-Price	19%	32%	Gilt, Vente Privee, Yoox
	Multibrand Event	18%	25%	Moda Operandi
	Department Stores	17%	17%	Neiman Marcus, Barneys Online, Saks Online

Source: McKinsey & Company (2012),

APPENDIX 2.1 – APPLICATION EXAMPLES

Examples of the Nuno Gama iOS Application (by the developer Yoma)



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- ¹ Gama, N. (2014)
 - ² Keller, K.L. (1998)
 - ³ Doran, S. (2013)
 - ⁴ McKinsey & Company (2012)
 - ⁵ Doran, S. (2013)
 - ⁶ Saviolo, S. & Corbellini, E. (2010)
 - ⁷ Dubois, B., Laurent, G. & Czellar, S. (2001)
 - ⁸ Okonkwo, U. (2009)
 - ⁹ Kapferer, J-N. (2008)
 - ¹⁰ Grose, T. (2011)
 - ¹¹ Grose, T. (2011)
 - ¹² Moda Operandi (2014)
 - ¹³ The Economist (2010)
 - ¹⁴ E-tailing Group, Inc (2011)
 - ¹⁵ Bloomberg (2014)
 - ¹⁶ McKinsey & Company (2012)
 - ¹⁷ Boston Consulting Group (2010).
 - ¹⁸ Boston Consulting Group (2010).
 - ¹⁹ McKinsey & Company (2012)
 - ²⁰ Sherman, L. (2013)
 - ²¹ Janssen, C. (2014)
 - ²² Carroll, D. & Guzman, I. (2013)
 - ²³ PM Digital (2013)
 - ²⁴ PM Digital (2013)
 - ²⁵ Nuno Gama Facebook Profile (2014)
 - ²⁶ Gama, N. (2014)
 - ²⁷ iTunes App Store (2014)
 - ²⁸ Doran, S. (2013)
 - ²⁹ TechCrunch (2010)
 - ³⁰ Paypal (2014)
 - ³¹ Bonobos (2014)
 - ³² IBM (2014)
 - ³³ Euromonitor (2013a)
 - ³⁴ Euromonitor (2013a)
 - ³⁵ Euromonitor (2013b)
 - ³⁶ Euromonitor (2013a)